



Docket No.: SON-1846/STP  
(80001-1846)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Patent Application of:  
Shigeyuki KAWAI et al.

Confirmation No.: 6806

Application No.: 09/720,079

Art Unit: 3621

Filed: March 29, 2001

Examiner: B. B. Bayat

For: ELECTRONIC MONEY SYSTEM AND  
ELECTRONIC MONEY TERMINAL

**REPLY BRIEF**

MS Appeal Brief - Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Dear Sir:

This is a Reply Brief under 37 C.F.R. §41.41 in response to the Examiner's Answer mailed on April 19, 2007.

The entirety of Appellant's arguments presented in the Appeal Brief of December 21, 2006 is incorporated herein by reference.

Claims 18-40 are pending in this application and are the subject of this Appeal. No claims have been allowed.

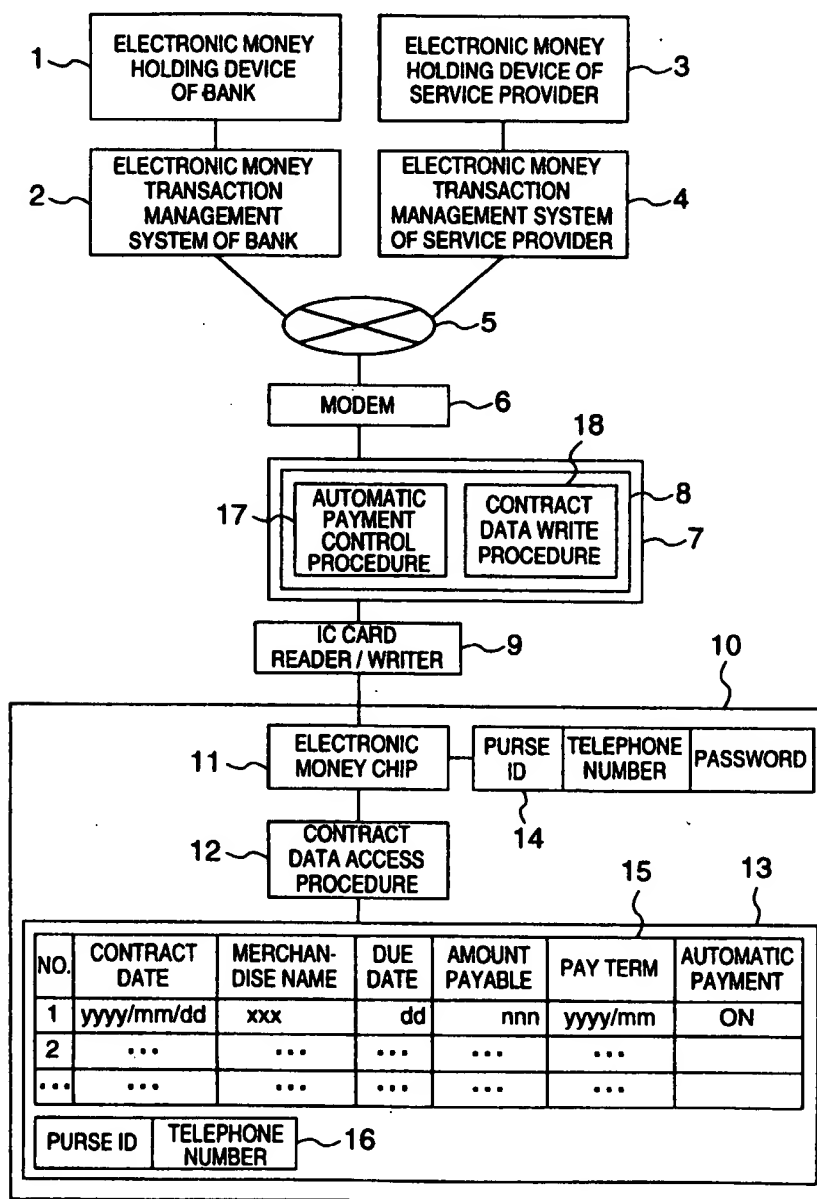
Appellants provided arguments against each of the foregoing rejections.

Among others, the following positions were presented in the Examiner's Answer, each of which will be addressed in turn in this Reply Brief:

**The Examiner erred in rejecting claims 18-40 under 35 U.S.C. §102 as allegedly being anticipated by Kasai.**

Provided hereinbelow is Figure 1 of Kasai.

**FIG. 1**



**For purposes of the issues presented by this appeal, claims 18, 21, 25, 26, 28, 29 stand or fall together.**

**Argument** - The Examiner's Answer has failed to show where within Kasai there is taught that for the purchase of a commodity or the reception of a service, electronic money terminal 7, 9 of Kasai receives both a transaction amount and a payment method indication. In this regard, no teaching can be found within Kasai pertaining to a payment method indication indicating payment of the transaction amount using the electronic money or installment payments.

Instead, the Examiner's Answer merely offers that Kasai clearly discloses i) that the electronic money holding device and automatic payment method is directed to fulfilling an obligation either for a purchase of goods or services between a buyer and service provider including an amount payable and transfer of money under the contract terms (column 2, lines 1-30) (Examiner's Answer at page 7).

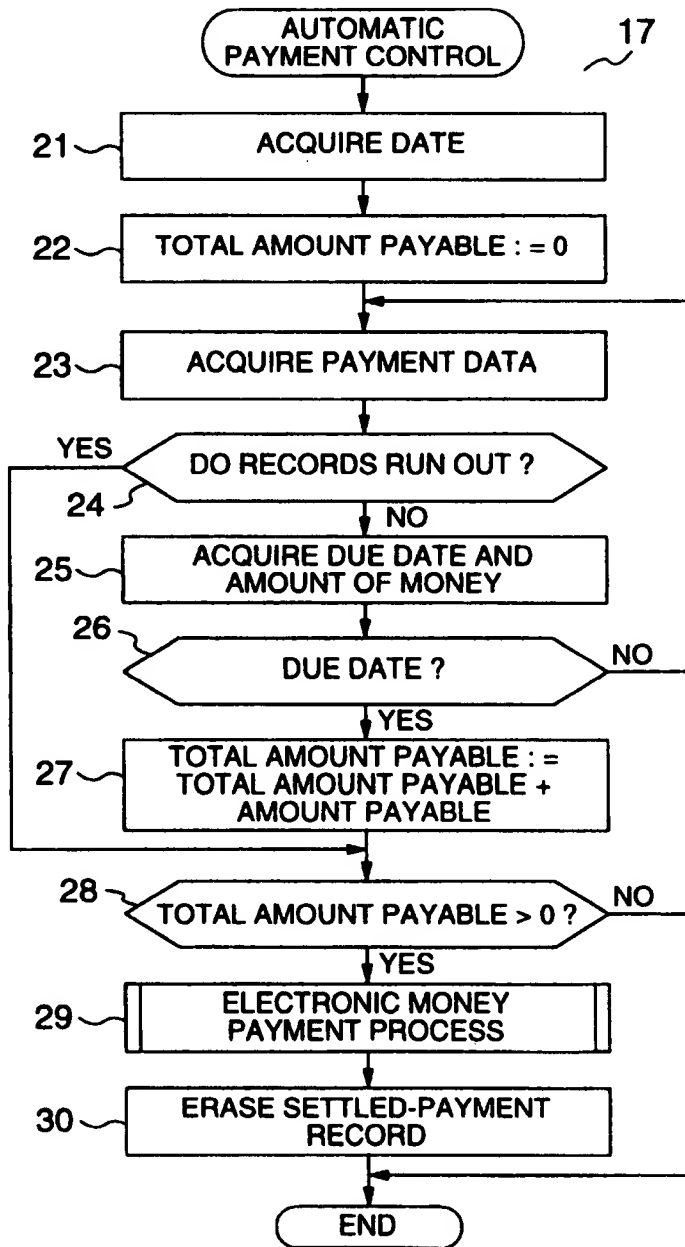
Although the Examiner's Answer urges that Kasai anticipates claim 18 under 35 U.S.C. §102, no reference to installment payments can be found within Kasai.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that for the purchase of a commodity or the reception of a service, said electronic money terminal receiving a transaction amount and a payment method indication, said transaction amount being said purchase price of said commodity or the monetary value of said service, said payment method indication indicating payment of said transaction amount using said electronic money or installment payments, as set forth within claim 18.*

**Argument** - The Examiner's Answer has failed to show where within Kasai there is taught updated electronic money log data being stored within the electronic money terminal 7, 9 along with the electronic device 10 storing the updated electronic money log data.

Provided hereinbelow is Figure 2 of Kasai, which is a flow chart of an automatic payment control procedure 17 performed by a user's computer 7 shown in Figure 1.

FIG.2

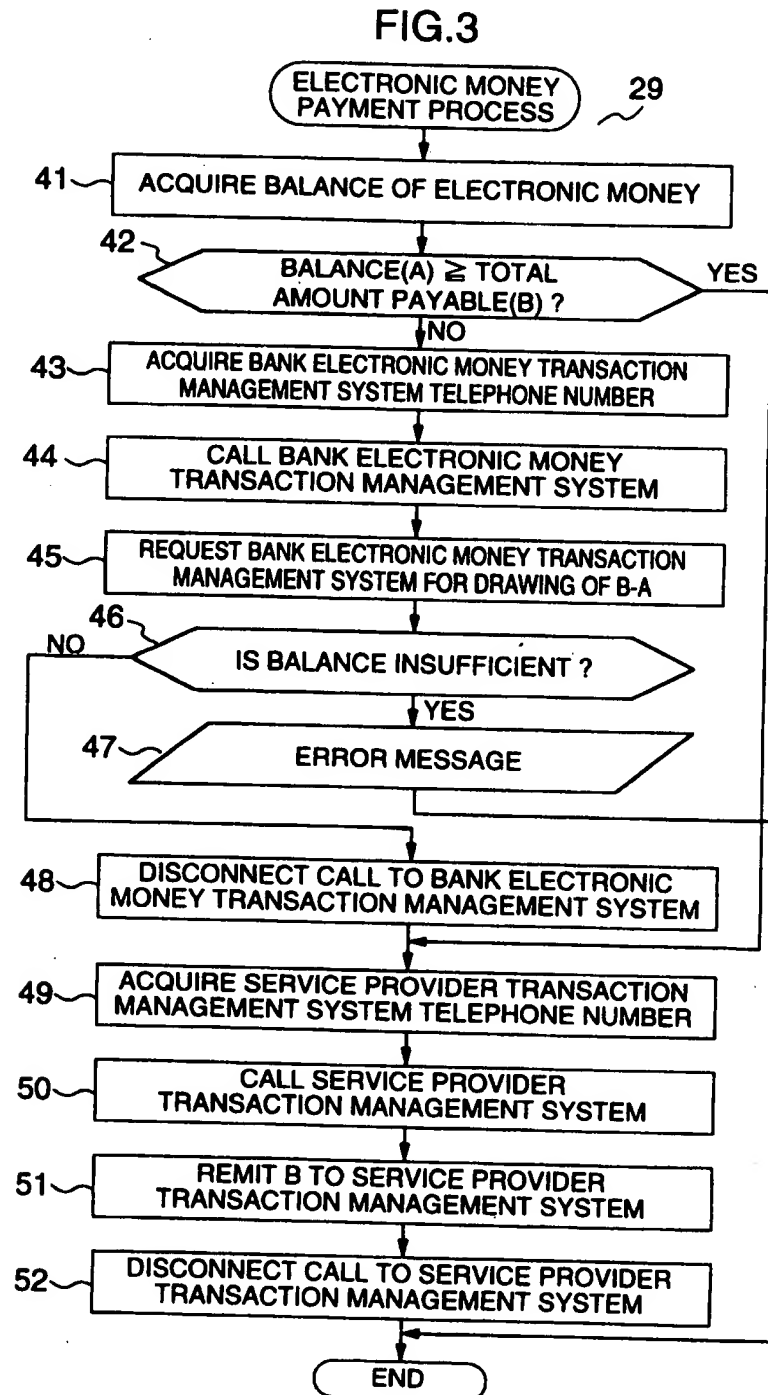


Kasai at column 4, line 57 to column 5, line 12 provides an explanation of the automatic payment control procedure 17. Specifically:

- In the procedure 17, the date as managed by the computer 7 is first acquired (**step 21**).
- As an initializing process, a total amount payable is set to 0 (**step 22**).
- Next, access to the IC card 10 is made through the IC card reader/writer 9 to read payment data 15 (**step 23**).
- The payment data 15 is read until records of the payment data 15 run out (**steps 23 to 25**).
- In the case where a due date coincides with the date acquired in **step 21**, a process for adding an amount payable to the total amount payable (**steps 26 and 27**) is repeated.
- When the records of the payment data 15 run out and the total amount payable is not 0 (**step 28**), the total amount payable is paid to the service provider through an electronic money payment process shown in FIG. 3 (**step 29**).
- Thereafter, a settled-payment record in the payment data 15 is erased (**step 30**), thereby completing the execution of the procedure.

In this regard, the process shown within Figure 2 of Kasai fails, to disclose, teach, or suggest updated electronic money log data being stored within the electronic money terminal 7, 9 along with the electronic device 10 storing the updated electronic money log data.

Provided hereinbelow is Figure 3 of Kasai, which is a for explaining the details of an electronic money payment process in **step 29** shown in Figure 2.



Kasai at column 5, line 21 to column 6, line 21 provides an explanation of step 29.

Specifically:

- First, when the process is called, the balance of electronic money of the IC card 10 is read (**step 41**).
- The read balance (A) and the total amount payable (B) determined in **step 27** shown in FIG. 2 are compared (**step 42**).
- **If  $A \geq B$** , service provider electronic money transaction management system data 16 held by the IC card 10 is read (**step 49**) and a call through the telephone number of the service provider is made (**step 50**).

When the computer 7 of the user and the service provider electronic money transaction management system 4 are connected, a purse ID in the table 16 of the IC card 10 is used to check whether or not the connection is made to a correct party.

- If the confirmation of the correct party is obtained, the whole amount of electronic money corresponding to the above-mentioned amount B is *transmitted from the IC card 10 of the user to the service provider electronic money transaction management system 4* (**step 51**).

At this time, contract information concerning the transmitted electronic money, for example, contract date, merchandise name or contract number may be transmitted simultaneously.

The transmission of electronic money is performed by use of the existing protocol such as MONDEX VTP (Value Transfer Protocol) used in the MONDEX system.

The identification of the remitter is also made by use of this protocol.

- When the remittance is completed, the line is disconnected (**step 52**), thereby completing the process.
- On the other hand, if  $A < B$  as the result of comparison in **step 42**, it is indicated that the balance of electronic money of the IC card 10 is insufficient.

Hence, after the drawing of necessary electronic money from a party such as a bank which makes a service for the deposition and drawing of electronic money, a process similar to that in the case of  $A \geq B$  as mentioned above is performed.

- In order that the user draws electronic money from the bank, bank electronic money transaction management system data 14 possessed by the IC card 10 is read (**step 43**) and a call through the telephone number of the bank is made (**step 44**).

When the computer 7 of the user and the bank electronic money transaction management system 2 are connected, a purse ID in the table 14 of the IC card 10 is used to check whether or not the connection is made to a correct party.

- Subsequent to the confirmation of the correct party, a request for the drawing of electronic money corresponding to  $B - A$  is made to the bank electronic money transaction management system 2 (**step 45**).

At this time, the electronic money payment process includes transmitting an identification number of the IC card 10 of the user as well as a password in the table 14.



The bank electronic money transaction management system makes the authentication of electronic money drawing on the basis of the transmitted identification number and password.

- In the case where the authentication is made and the balance of electronic money in a bank account is equal to or greater than (B-A) (**step 46**), the transmission from the bank electronic money transaction system 2 (or the drawing of electronic money) is performed using the above-mentioned MONDEX VTP or the like.
- Thereafter, the electronic money payment process performs the disconnection of the line from the bank electronic money transaction system 2 (**step 48**).
- The subsequent operation (**steps 49 to 52**) is similar to that in the above-mentioned case of  $A \geq B$ .
- In the case where the balance of electronic money of the user is insufficient and the drawing of the above-mentioned electronic money corresponding to (B-A) is impossible, the process is completed with an error message being left, for example, in a mail form (**steps 46 and 47**).

Nevertheless, the process found within Figure 3 of Kasai *fails*, to disclose, teach, or suggest updated electronic money log data being stored within the electronic money terminal 7, 9 along with the electronic device 10 storing the updated electronic money log data.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that said electronic money terminal updates said electronic money log data with said transaction amount when said payment method indication indicates said payment by said installment payments.*
- *The Examiner's Answer fails to show a teaching within Kasai that said updated electronic money log data is stored within said electronic money terminal.*

- *The Examiner's Answer fails to show a teaching within Kasai that said electronic device stores said updated electronic money log data.*

Instead, the Examiner's Answer asserts that, if the Appellant's automatic payment is for a phone bill, the whole monthly usage amount will be automatically deducted, whereas if a car payment is automatically deducted, the previously agreed upon installment payment is made (Examiner's Answer at page 7).

In response, the language found within claim 18 is clear and unambiguous. In this regard, the Examiner's Answer fails to show support for such speculative assertions.

The Examiner's Answer further asserts that, therefore, as disclosed in Kasai, the electronic money holding device utilizing an automatic payment mechanism merely deducts, logs and updates payments as per the contract terms specified between the parties (column 6, lines 19-63, logging (journal) of transactions, automatic payment control via contract terms) (Examiner's Answer at pages 7-8).

In response, no concession is provided herein as to the veracity of these assertions. But even if these are to some extent accurate, these assertions do not account for the claim 18 feature that are shown to be absent from within Kasai.

**For purposes of the issues presented by this appeal, claim 19 stands or falls alone.**

**Argument** - Page 8 of the Examiner's Answer asserts that on column 3, lines 24-34, Kasai discloses, "a main part of the IC card is a portion 11 provided with a storage unit for storing an identification number uniquely applied to each of all IC cards and the balance of held electronic money, and a central processing unit for storing and executing a procedure for performing the reference to and the updating of the balance and a procedure for controlling the transfer of

electronic money between this IC card 10 and another electronic money holding device.  
(Hereinafter, the portion 11 will be referred to as 'electronic money chip').

Page 8 of the Examiner's Answer further asserts that the encipherment of the balance is also performed in this money chip 11.

However, the Examiner's Answer fails to show where within Kasai that updating the money chip 11 is taught. Likewise, the Examiner's Answer fails to show where within Kasai that decrementing the money chip 11 is taught

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that said electronic money terminal updates said electronic money log data by decrementing said electronic money in the amount of said transaction amount when said payment method indication indicates said payment by said electronic money.*

**For purposes of the issues presented by this appeal, claim 20 stands or falls alone.**

**Argument** - The Examiner's Answer respectfully submits that any information stored such as balance, amount payable, date serve as credit card transaction information (Examiner's Answer at page 8).

In response, this assertion fails to show that Kasai as teaching that the difference between the transaction amount and the electronic money is stored within the electronic money terminal as credit card transaction information.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that, when said transaction amount is greater than said electronic money, the difference between said transaction amount and said electronic money is stored within said electronic money terminal as credit card transaction information.*

**For purposes of the issues presented by this appeal, claim 22 stands or falls alone.**

**Argument** - The Examiner's Answer respectfully submits that the read balance (A) and the total amount payable (B) determined in step 27 of Figure 2 of Kasai serve as a calculation performed at a particular time interval (Examiner's Answer at pages 8-9).

In response, no concession is provided herein as to the veracity of this submission. But even if this is to some extent accurate, this submission does not account for the claim 22 feature of a calculation of the sum total transaction amounts for the electronic device during a particular time interval.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that said electronic money management block calculates the sum total transaction amounts for said electronic device during a particular time interval.*

**For purposes of the issues presented by this appeal, claim 23 stands or falls alone.**

**Argument** - The Examiner's Answer refers to the discussion pertaining to Figure 3 of Kasai (Examiner's Answer at page 10).

However, this passage found within the Examiner's Answer fails to show the feature within Kasai that corresponds to the claimed electronic money management block. In addition, this passage found within the Examiner's Answer fails to show that a electronic money management block sends to a bank or credit company the sum total amount of credit card transaction information for said electronic device during a particular time interval.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that said electronic money management block sends to a bank or credit company the sum total amount of*

*credit card transaction information for said electronic device during a particular time interval.*

**For purposes of the issues presented by this appeal, claim 24 stands or falls alone.**

**Argument** - Kasai arguably teaches that in the MONDEX system, if the transfer of electronic money is performed, its log (or journal) for ten latest transactions is recorded in the IC card (Kasai at column 6, lines 19-21).

However, Kasai fails to elucidate or otherwise provide any other details regarding the log (or journal) or its contents.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that said electronic money terminal stores therein electronic money log data for prior usages of said electronic device.*

**For purposes of the issues presented by this appeal, claim 27 stands or falls alone.**

**Argument** - Kasai arguably teaches that the bank electronic money transaction management system 2 is connected to the computer 7 through the public line 5, and is an electronic money transaction management system of a bank as the other party for which the user performs an operation for the deposition or drawing of electronic money of the IC card 10 (Kasai at column 4, lines 46-53).

In response, Kasai fails to disclose, teach, or suggest that the IC card 10 uses the deposition or drawing of electronic money of the IC card 10 to increment electronic money in the amount of the monetary value.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai of a deposit terminal that receives currency and transmits amount data to said electronic device, said amount data representing the monetary value of said currency being transmitted, said electronic device using said amount data to increment electronic money in the amount of said monetary value.*

**For purposes of the issues presented by this appeal, claim 30 stands or falls alone.**

**Argument** - The Examiner's Answer contends that Kasai discloses that the electronic money is held in an IC chip on an IC card (column 1, lines 16-17). The Examiner's Answer further contends, without providing any supporting evidence, that as such, in any contactless card, the chip communicates with the card reader through RFID induction technology.

In response to this contention, "assertions of technical facts in areas of esoteric technology must always be supported by citation to some reference work recognized as standard in the pertinent art and the appellant given, in the Patent Office, the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference." (Citations omitted). *In re Pardo and Landau*, 214 USPQ 673, 677 (CCPA 1982). The support must have existed at the time the claimed invention was made. *In re Merck & Co., Inc.*, 231 USPQ 375, 379 (Fed. Cir. 1986).

Kasai provides that it may be constructed such that a password inputted by a user from the computer 7 is stored into the table 14 of the IC card 10 when the IC card 10 is inserted into the IC card reader/writer 9 (Kasai at column 3, line 67 to column 4, line 3).

Within Kasai, it is supposed that the IC card 10 of the user is always placed in a state in which it is inserted in the reader/writer 9 (Kasai at column 4, lines 62-63).

In the case where the user uses the IC card which he or she carries habitually in lieu of cash, it is necessary to activate the automatic payment control procedure after the insertion of the IC card 10 into the reader/writer 9 (Kasai at column 6, lines 32-35).

However, the Examiner's Answer fails to show the IC Card 10 as being a contactless information card.

- *Thus, the Examiner's Answer fails to show a teaching within Kasai that said information card is a contactless information card that sends and receives said electronic money log data in a contactless manner.*

Furthermore, RFID induction technology is also not found within Kasai.

In this regard, broad conclusory statements, standing alone, are not evidence. *In re Dembiczak*, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999).

**Claims 31-40** - No rebuttal regarding claims 31-40 is found within the Examiner's Answer.

## **CONCLUSION**

The prior art of record, either individually or as a whole, fails to disclose, teach or suggest all the features of the claimed invention.

For at least the reasons set forth hereinabove, the rejection of the claimed invention should not be sustained.

Therefore, a reversal of the Final rejection of April 21, 2005 is respectfully requested.

If any additional fee is required or any overpayment made, the Commissioner is hereby authorized to charge the fee or credit the overpayment to Deposit Account # 18-0013.

Dated: June 19, 2007

Respectfully submitted,

By 

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